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Security Council

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Security Council Committee established pursuant to resolution 1737 (2006)

Note verbale dated 27 August 2010 from the Permanent Mission of Switzerland to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of Switzerland to the United Nations presents its compliments to the Secretariat of the United Nations and has the honour to transmit herewith a report from the Swiss Government addressed to the Security Council Committee on the sanctions established pursuant to resolution 1929 (2010) concerning the Islamic Republic of Iran (see annex).

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Annex to the note verbale dated 27 August 2010 from the Permanent Mission of Switzerland to the United Nations addressed to the Chairman of the Committee

Report by Switzerland pursuant to Security Council resolution 1929 (2010)

In paragraph 31 of resolution 1929 (2010) of 9 June 2010, the Security Council "calls upon all States to report to the Committee [established pursuant to resolution 1737 (2006)] within 60 days of the adoption of this resolution on the steps they have taken with a view to implementing effectively paragraphs 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 21, 22, 23 and 24". In keeping with this request, Switzerland hereby presents the steps it has taken in implementation of those paragraphs.

As noted in its reports of 5 March 2007 (S/AC.50/2007/40), 11 June 2007 (S/AC.50/2007/109) and 30 April 2008 (S/AC.50/2008/20), Switzerland implements the sanctions envisaged in resolutions 1737 (2006), 1747 (2007) and 1803 (2008) primarily by means of the Ordinance instituting measures against the Islamic Republic of Iran (hereinafter "the Ordinance"), which was adopted on 14 February 2007. The Ordinance is based on the Federal Act on the Implementation of International Sanctions of 22 March 2002 (hereinafter "the Embargo Act"). The current version of the Ordinance is attached to the present report.

Paragraph 7

On 18 August 2010, the Federal Council (the Swiss Government) amended the Ordinance by adding an article 1(b), which prohibits the individuals and entities mentioned in the following paragraph from acquiring an interest in a company which is involved in uranium mining; which develops, produces or uses goods, including the technology and software listed in INFCIRC/254/Rev.9/Part 1; or which develops, produces or uses goods, including technology and software related to ballistic missiles capable of delivering nuclear weapons.

The ban on acquiring an interest targets the Government of the Islamic Republic of Iran, nationals and entities incorporated in Iran or subject to its jurisdiction, natural persons, companies and organizations acting on their behalf or at their direction, or entities owned or controlled by them.

It should be recalled that, in accordance with article 9 of the Embargo Act, violating this ban and any of the other penalties established by the Ordinance is punishable by a term of imprisonment of up to five years combined with a fine of up to CHF 1 million.

Paragraph 8

As part of the amendment of 18 August 2010 to the Ordinance, the Federal Council introduced a new paragraph 2 to article 1(a), which prohibits "the supply, sale, export and transfer to the Islamic Republic of Iran of battle tanks, armoured combat vehicles, large calibre artillery systems, combat aircraft, attack helicopters, warships, missiles or missile systems, as well as their accessories and spare parts". Under a new paragraph 3, "the provision of any technical training, financial

resources or services, advice, other services or assistance related to the supply, sale, export, transfer, development, manufacture, maintenance or use of the goods referred to" has also been prohibited.

Paragraph 9

This paragraph is covered by article 1, paragraphs 1 to 4 of the Ordinance. Annex 1 of the Ordinance includes the items listed in document S/2010/263.

Paragraph 10

The travel ban is implemented by article 3 (b) of the Ordinance, which states that the entry into Switzerland or transit through Switzerland by the individuals listed in Annex 4 is prohibited. On 18 June 2010, the Federal Department of the Economy supplemented Annex 4; henceforth, Annex 4 lists the 41 individuals subject to resolutions 1737 (2006), 1747 (2007), 1803 (2008) and 1929 (2010).

Paragraphs 11, 12 and 19

Article 2 of the Ordinance provides for a freeze on the assets and financial resources belonging to or under the control of the persons, companies and entities cited in Annex 3. The making available of assets and financial resources to the persons listed is also prohibited. On 18 June 2010, the Federal Department of the Economy listed in Annex 3 the names of the 40 entities and individuals mentioned in Annexes I to III of resolution 1929 (2010). At present, 75 entities and 41 individuals are subject to article 2 of the Ordinance.

Paragraph 13

Annexes 1 and 2 of the Ordinance contain references to Swiss legislative instruments governing its export controls. These instruments cover all items included in the list of goods of the Nuclear Suppliers Group (NSG) and those governed by the Missile Technology Control Regime (MTCR). As a participating State of NSG and MTCR, Switzerland keeps these lists up to date and, consequently, implements INFCIRC/254/Rev.9/Part 1, INFCIRC/254/Rev.7/Part 2 and document S/2010/263.

Paragraphs 14 to 18

The Swiss authorities are authorized by law to inspect any Iranian or other aircraft found at a Swiss airport that are in transit to or from the Islamic Republic of Iran and are suspected of transporting goods prohibited under the Ordinance.

Article 13 of the Embargo Act provides that goods subject to sanctions shall be confiscated if their continued lawful use cannot be guaranteed. The confiscated goods are forfeited to the State.

Switzerland stands ready to implement paragraph 17 of resolution 1929 (2010). However, paragraphs 15 and 18 are not applicable in Switzerland, as a landlocked country.

Paragraph 21

Paragraphs 3 and 4 of article 1 of the Ordinance prohibit the provision of any financial services, financial resources or investments related to the activities of the Islamic Republic of Iran in the areas of uranium enrichment, nuclear fuel reprocessing, heavy water and nuclear-weapon delivery systems development. Furthermore, the Federal Act on War Materiel of 13 December 1996 prohibits any (including financial) support of activities related to weapons of mass destruction programmes.

Paragraph 22

The Swiss authorities require and believe it essential for all natural persons and entities in Switzerland to exercise vigilance when doing business with the Islamic Republic of Iran. The competent authorities maintain that the sanctions in force cannot be upheld without such vigilance.

Paragraphs 23 and 24

The recommendations provided for in paragraphs 23 and 24 can be taken into account on the basis of the Federal Act on Banks and Savings Banks of 8 November 1934 and the Ordinance on Banks and Savings Banks of 17 May 1972.